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Governor

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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 16, 2011

Kim Wilson  
Greentech Mining Utah LLC  
P.O. Box 215  
Hanksville, Utah 84734

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Greentech Mining Utah LLC, Golden Eagle Mine, S/017/0052, Garfield County, Utah

Dear Mr. Wilson:

The Division of Oil, Gas and Mining has reviewed the referenced Notice of Intention to Commence Small Mining Operations (NOI). The following deficiencies were identified, but additional comments may be generated after the BLM receives a Plan of Operations:

1. The land and mineral ownership on page 3 are shown as being BLM, but the address listed is for Greentech Mining. Please instead give the name and address of the BLM office with jurisdiction over the project.
2. The acreage figure shown, 3.67 acres, is only for the main excavation and does not include the new access road or disturbances from exploration test holes as shown on one of the maps. Please include disturbance acreage for the entire project.
3. The operations map needs to show all the disturbance from the proposed mine, including both the main excavation, the test holes, access to the test holes, and the new road to the mine. It should also show locations of facilities.
4. Please include a complete list of all equipment to be used. Will there be any non-mining buildings or equipment, such as trailers? These also need to be included in the list and shown on the operations map.
5. Please identify any chemicals that will be used in processing or that will be stored at the site. Storage locations should be shown on the operations map.

In addition, there was an on-site meeting on September 12, 2011, with Kim Wilson (Greentech Mining Utah LLC), John Reay (BLM) and Wayne Western (DOGM). During the meeting you expressed interest in conducting additional exploration activities in the area and also said a Plan of Operation had not been filed with the BLM.



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A small mine in an unincorporated area may contain up to 10 acres and the acreage does not have to be contiguous. For small mines over 5 acres the annual permit fee is \$500 per year instead of \$150 per year. The question was raised about the maximum distance two operations can be from one another and still be considered part of the same mine. The Division does not have a specific rule that addresses that question. In general the two operations could be considered part of the same mine if they are part of a logical mining area.

During the onsite meeting you requested that you be allowed to expand the mine area to approximately 10 acres. If that is your intention please amend the NOI and submit an addition \$350 permit fee. Please provide your response as replacement pages to your original NOI, using Form MR-REV-SMO/EXP, available on the Division's web site at [www.ogm.utah.gov](http://www.ogm.utah.gov)

At present the BLM does not have an application for a Plan of Operations. The reclamation surety amount cannot be determined until the BLM has a Plan of Operations, and the Division cannot approve the project without the surety.

The following table shows the standard amounts normally required for the reclamation surety. The actual amount can be more or less than this depending on the circumstances, and the Division must have concurrence from the BLM for the amount.

Small Mining Operation Notices

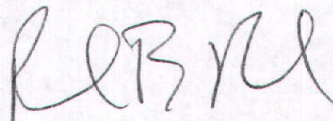
<b>Project Size (Acres)</b>	<b>Surety 3 &amp; 5 year escalation 2011</b>	<b>Comments</b>
1 or less acres	\$7,900 (3-year escalation) \$8,200 (5-year escalation)	Minimum amount required
Additional acres up to 10 total acres	\$4,700/ acre (3-year escalation) \$4,900/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 10 acres	(i.e. Maximum of 5 acres = \$7,900 +\$42,300 = <b>\$50,200 (3-year escalation)</b> (i.e. Maximum of 5 acres = \$8,200 +\$44,100 = <b>\$52,300 (5-year escalation)</b> )	\$1,100 difference between 3 and 5 year escalation amount for 5-acres of disturbance.
Over 5 acres	Additional \$3,000 mob/demob can be included for a second piece of equipment if the Division believes that two different types of equipment would be needed.	Example - a dozer would be needed for grading and a trackhoe would be needed for highwall reclamation.
Portal	\$2,000 each opening	
Revegetation after regrading	\$1,000 mob/demob plus \$1,000 per acre seeding costs.	



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If you have any questions regarding this letter, please call me at 801-538-5261 or Wayne Western at 801-538-5263. In reply, please refer to file number S/017/0052. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "PBB RU".

Paul B. Baker  
Minerals Program Manager

PBB:whw:eb  
cc: jreay@blm.gov  
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